Congress of the United States Washington, DC 20515

WCB CAF USF CAF

March 28, 2012

The Honorable Julius Genachowski, Chairman The Honorable Robert McDowell The Honorable Mignon Clyburn Federal Communications Commission 445 12th Street, S.W. Washington, DC 20554

Dear Mr. Chairman and Commissioners:

As members representing Texas, and who understand the difficulties and importance of having reliable telecommunications services on the Texas border, we write regarding concerns over the FCC's recent Universal Service Order that could jeopardize the Nation's Border Security efforts between Texas and Mexico by disrupting critical Homeland Security communications in West Texas.

As you know, one of the key findings in the 9/11 Report is the essential role that communications has in helping law enforcement be as effective as possible at deterring crime. The Texas-Mexico border presents the law enforcement officers charged with protecting it an enormous challenge. Big Bend Telephone Company ("Big Bend") is the only terrestrial voice and broadband communication provider that exclusively provides its services to West Texas using its own network facilities.

Big Bend relies on universal service support as required by Section 254 of the Communications Act to effectively offer services in West and South Texas. The other communication companies in this region serve only a fraction of Big Bend's 17,593 square mile service territory and rely on Big Bend for transport from cell towers or backhaul to the Internet. Unless the Commission waives its rules capping Big Bend's recovery of network expenses and investment, we are concerned that West Texas could simply have its communications network shut off and that Border Security would be fundamentally undermined by this disruption in communications. Indeed, we understand that, under the FCC's rules, Big Bend would default on its loan covenants as early as 2013.

If Big Bend is put out of business in West Texas, many federal and state border security and law enforcement institutions as well as schools and other anchor institutions would have their communications services cut off with no other alternative available. A list of these institutions is enclosed.

The Commission anticipated that certain rate-of-return carriers would require waiver of its Universal Service Fund ("USF") rules in circumstances when such rules reduced a carrier's support to a point that it "would not be 'sufficient to achieve the purposes of [section 254] of the Act.' Big Bend is such a carrier, and its waiver petition presents the very circumstances envisioned by the Commission. Big Bend's large, low-density, mountainous service area contains 17,593 square miles, including approximately 485 miles or 25 percent of the U.S.-Mexico land border. The territory's sheer size and rugged terrain present unique challenges to deploying and maintaining a communications network, including higher construction costs to deploy facilities in rocky, mountainous terrain and higher maintenance costs due to poor road infrastructure, extreme weather, and the long distances required to reach different parts of the network for repairs.

We understand that Big Bend is the only terrestrial telephone service in West Texas that relies exclusively on its own facilities and that the FCC's rules would eventually cause its bankruptcy. Because Big Bend provides essential voice and broadband communication services to essential Homeland Security personnel, including Border Crossing and Ports of Entry, in West Texas and is the only viable communications alternative, we request that the FCC grant Big Bend a rule waiver so that it can continue to invest in these critical communication services in West Texas.

Thank you for your attention to this important issue.

Sincerely,

Henry Cuellar

Member of Congress

Michael McCaul

Member of Congress

Institutions That Will Lose Communications Services

Department Homeland Security (DHS) Highway Check Points

DHS International Border Crossings

DHS Port of Entry

DHS Administrative Facilities

DHS Housing Facilities

Department of Immigration, Customs and Enforcement

Department of Defense - Air Force Radar Surveillance Balloon Site

Department of the Interior - Big Bend National Park

Federal Aviation Administration

Federal Motor Carrier Safety Administration

U. S. Weather Service

Texas Department of Public Safety including Highway Patrol and Texas Rangers

Texas Department of Corrections - Lynaugh Unit, Sheffield Detention Center

Texas Department of Parks and Wildlife including Game Wardens

Texas Department of Transportation

County Judges, County Administration, Fire Departments, Sheriffs' Departments and Police Departments of

Brewster, Presidio, Terrell, Jeff Davis, Pecos, Pecos, Crane, and Val Verde counties

911 Facilities

Comstock Independent School District ("ISD")

Terrell County ISD

Big Bend National Park San Vicente CSD

Terlingua ISD

Alpine ISD

Fort Davis ISD

Presidio ISD

Marathon ISD

Marfa ISD

Fort Stockton ISD

Iraan Sheffield ISD

McCamey ISD

Crane ISD

Valentine ISD

University of Texas McDonald Observatory

Texas Region 18 Education Service Center

Sul Ross State University

Midland College

Banks and Credit Unions

Public Libraries

Hospitals and Health Clinics

Public Housing Authorities

JULIUS GENACHOWSKI

FEDERAL COMMUNICATIONS COMMISSION

July 2, 2012

The Honorable Henry Cuellar U.S. House of Representatives 2463 Rayburn House Office Building Washington, D.C. 20515

Dear Congressman Cuellar:

Thank you for your letter regarding Big Bend Telephone Company's petition for waiver. I appreciate your bringing this matter to my attention and have directed the Chief of the Wireline Competition Bureau's Telecommunications Access Policy Division to respond. I am pleased to provide the enclosed letter addressing your concerns.

If you have any additional questions or need any further assistance, please do not hesitate to contact me.

Sincerely,

Julius Genachowski

Enclosure



Federal Communications Commission Washington, D.C. 20554

July 2, 2012

The Honorable Henry Cuellar U. S. House of Representatives 2463 Rayburn House Office Building Washington, DC 20515

Dear Congressman Cuellar:

Thank you for your March 28, 2012 letter requesting Commission action a petition filed by Big Bend Telephone Company (Big Bend). Specifically, you expressed support for Big Bend's petition for waiver, filed February 6, 2012, of three high-cost universal service rules. Big Bend seeks a waiver of section 54.302 of the Commission's rules, which establishes a total limit on high-cost universal service support of \$250 per line per month, beginning July 1, 2012. Big Bend also seeks a waiver of the updated and extended limits on recovery of corporate operations expenses applied to High Cost Loop Support (HCLS) and Interstate Common Line Support (ICLS). Finally, Big Bend seeks a waiver of the framework to limit reimbursable capital and operating costs.

The petition is actively under review by the Wireline Competition Bureau. I can assure you that the Bureau is making every effort to conclude its review as quickly and equitably as possible.

A copy of your letter is being entered into the record of the proceeding. Thank you for your interest in this important matter, and please do not hesitate to contact me if I can be of further assistance.

Sincerely,

Trent B. Harkrader

Chief

Telecommunications Access Policy Division

Wireline Competition Bureau

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cc: The Honorable Michael McCaul

JULIUS GENACHOWSKI

FEDERAL COMMUNICATIONS COMMISSION

July 2, 2012

The Honorable Michael T. McCaul U.S. House of Representatives 121 Cannon House Office Building Washington, D.C. 20515

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